

Policy Amendment and Land Use Amendment in Sunnyside (Ward 7) at multiple addresses, LOC2022-0086

RECOMMENDATIONS:

That Calgary Planning Commission recommend that Council:

1. Refuse the proposed bylaw for the amendments to the Hillhurst/Sunnyside Area Redevelopment Plan (Attachment 2); and
2. Refuse the proposed bylaw for the redesignation of 0.11 hectares \pm (0.28 acres \pm) located at 1001 – 3 Avenue NW and 335 – 9A Street NW (Plan 2448O, Block 2, Lots 21 to 24) from Multi-Residential – Contextual Medium Profile (M-C2) District to Direct Control (DC) District to accommodate mixed use development, with guidelines (Attachment 3).

HIGHLIGHTS

- This application proposes to redesignate the site to a Direct Control (DC) District to allow for multi-residential development up to a maximum of 50 metres (14 storeys) in height and floor area ratio (FAR) of 9.0.
- Administration is recommending refusal as the proposal does not meet Administration's recommended density bonusing rate or provide sufficient Traffic Demand Management (TDM) measures to support zero resident parking. However, Administration is generally supportive of increased height and density on the site given proximity to transit and amenities.
- What does this mean to Calgarians? While the proposed DC District would allow for additional density in close proximity to an LRT station, the DC District does not provide appropriate community benefit for the additional density.
- Why does this matter? The density bonusing rates proposed in this application do not provide an adequate amount of community benefit and the TDM measures proposed are not appropriate to support zero resident parking on the site. The recommendation of refusal is not reflective of the height and FAR of the proposal development but rather the lack of appropriate contributions to public amenities and community projects.
- A major amendment to the *Hillhurst/Sunnyside Area Redevelopment Plan (ARP)* is required to accommodate the proposed land use.
- No development permit application has been submitted at this time.
- There is no previous Council direction related to this proposal.

DISCUSSION

This application, located in the northwest community of Sunnyside, was submitted on 2022 May 13 by O2 Planning and Design on behalf of the landowners, JEMM Kensington Ltd. No development permit has been submitted at this time, however, as noted in the Applicant Submission (Attachment 4), the applicant intends to develop a multi-residential building on the subject site.

The 0.11 hectare site is located on the southwest corner of 9a Street NW and 3 Avenue NW, directly west of the Sunnyside LRT Station. Shops, services and amenities are located in close proximity. Existing development consists of a 2.5 storey multi-residential building on the

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southerly parcel and a two storey multi-residential building on the northerly parcel, known historically as Wellington Terrace, and currently The Lunenberg Apartments. The Inventory of Evaluated Historic Resources includes Wellington Terrace as a historic resource. The sites are currently designated M-C2 District, which allows a maximum height of 16 metres and maximum FAR of 2.5.

The proposed DC District is based on the Mixed Use – General (MU-1) District and proposes multi-residential development of 50 metres, approximately 14 storeys, and a maximum FAR of 9.0. This is almost double the allowable FAR and therefore a major policy amendment is required. The current ARP allows a maximum FAR of 5.0, with bonusing, and maximum height of 26 metres. The applicant has proposed a density bonusing rate of \$70 per square metre for the FAR above 5.0. However, Administration has recommended a bonusing rate of \$270 per square metre, which is in line with other established density bonusing rates in the city. Administration's recommendation of refusal was carefully considered and is based on the following:

- the density bonusing rate for the FAR increment above what the ARP allows (from FAR 5.0 to 9.0) does not represent an adequate community amenity contribution to offset the significant increase in density; and
- Transportation Demand Management (TDM) measures proposed, including provision of class 1 bicycle stalls, are not sufficient to support zero resident parking.

A detailed planning evaluation of the application, including location maps and site context, is provided in the Background and Planning Evaluation (Attachment 1).

PUBLIC ENGAGEMENT AND COMMUNICATION

- Outreach was undertaken by the Applicant
- Relevant public groups were informed by Administration

Applicant-Led Outreach

As part of the review of the proposed land use amendment application, the applicant was encouraged to use the [Applicant Outreach Toolkit](#) to assess which level of outreach with relevant public groups and the Hillhurst/Sunnyside Community Association (CA) was appropriate. The applicant undertook outreach to the Hillhurst/Sunnyside Community Association (CA), Councillor's office, and nearby neighbours. The applicant has hosted two virtual information sessions on 2022 June 09 and 2022 December 08, having mailed postcards to nearby residents in advance of these sessions. The applicant also developed a project website with information about the proposal. The Applicant Outreach Summary can be found in Attachment 5 and What We Heard Report in Attachment 6.

City-Led Outreach

In keeping with Administration's practices, this application was circulated to relevant public groups, notice posted on site and published [online](#). Notification letters were also sent to adjacent landowners.

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Administration received 18 letters of opposition and three letters of support from the public. A summary of the public comments received is provided in Attachment 7.

Administration received two letters from the CA on 2022 June 13 and 2022 December 23 (Attachment 8). The CA raised concerns with the significant increase to the density and height proposed as this could be considered precedent setting in the community potentially undermining comprehensive planning in the community that is currently underway through the Local Area Planning process. They also raised concern that the density bonusing rate proposed was not sufficient given the scale of the development. The loss of affordable housing through the demolition of Wellington Terrace was also a concern as it is not clear how the proposal would address affordability. There was also encouragement of parking stalls to be provided for three bedroom units to support family living and an increased supply of bicycle parking as zero resident parking is proposed. The CA did also recognize the importance of increased density in a TOD area next to the LRT station, a good level of public engagement by the applicant team and that high quality architectural design was expected with a development permit application.

Heritage Calgary was also circulated and submitted a letter (Attachment 9) on the potential loss of Wellington Terrace. They noted that adaptive reuse of the site and materials was their preferred approach to future development. If that was not possible, the salvage of materials for reuse in new development or use on another site could be considered. Heritage Calgary also recommended including a plaque to commemorate Wellington Terrace as part of the future development for the site (Attachment 9). The applicant has indicated interest in working with Heritage Calgary at the detailed design stage to determine the commemorative feature for Wellington Terrace.

The proposal was reviewed by the Urban Design Review Panel (UDRP). UDRP was supportive of the proposed density. Their comments are provided in Attachment 10.

Administration considered the relevant planning issues specific to the proposed redesignation and has determined that support cannot be provided. Though additional height and density on the site may be considered given the TOD context, Administration is not supportive of the density bonusing rate proposed by the applicant as it would not provide adequate community benefit. The proposal represents a large departure from the ARP with the maximum FAR increasing from 5.0 to 9.0 and maximum height from 26 to 50 metres. If approved, this land use would provide for the tallest building and most intensive development site in the community. The bonusing rate and contribution to the Hillhurst/Sunnyside Community Amenity Fund (HSCAF) only contemplates a maximum contribution of 5.0 FAR. In addition, the applicant is proposing a zero resident parking development and the TDM measures proposed in the DC District, including the provision of class 1 bicycle stalls, are not sufficient to support the application as proposed.

Following Calgary Planning Commission, notifications for a Public Hearing of Council for the land use and policy amendment application will be posted on site and mailed out to adjacent landowners. In addition, Commission's recommendation and the date of the Public Hearing will be advertised.

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IMPLICATIONS

Social

While the proposed land use district would allow for a wider range of housing types in close proximity to transit, the proposal does not sufficiently contribute to the Hillhurst/Sunnyside Community Amenity Fund to support the additional density proposed.

Environmental

This application provides greater density in proximity to transit, which aligns with the objectives of the *Calgary Climate Strategy – Pathways to 2050*. Further opportunities to align future development on this site with applicable climate resilience strategies would be explored and/or implemented at the development permit and building permit stages.

Economic

The additional density and height proposed is not contemplated in the existing density bonusing framework of the ARP. The applicant's proposed contribution rate of \$70 per square metre is substantially lower than the established contribution rate of \$270 per square metre implemented on comparable proposals (height, building form, FAR).

Service and Financial Implications

No anticipated financial impact.

RISK

Work is currently underway as part of the Riley Communities Local Area Planning process to determine an updated density bonus rate for Hillhurst/Sunnyside. That review effort is potentially undermined by approving this proposal with a rate substantially lower than other comparable neighbourhoods in the city with density bonus frameworks.

ATTACHMENTS

1. Background and Planning Evaluation
2. Proposed Amendment to the Hillhurst Sunnyside Area Redevelopment Plan
3. Proposed Direct Control District
4. Applicant Submission
5. Applicant Outreach Summary
6. Applicant What We Heard Report
7. Summary of Public Comments
8. Community Association Response
9. Heritage Calgary Response
10. Urban Design Review Panel Comments

Department Circulation

General Manager (Name)	Department	Approve/Consult/Inform